

AMENDED IN SENATE MAY 12, 2010

AMENDED IN SENATE APRIL 5, 2010

**SENATE BILL**

**No. 1130**

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**Introduced by Senator Aanestad**  
*(Coauthor: Assembly Member Chesbro)*

February 18, 2010

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An act to amend Section 2807 of the Penal Code, relating to corrections.

LEGISLATIVE COUNSEL'S DIGEST

SB 1130, as amended, Aanestad. Corrections: Prison Industry Authority.

Existing law provides that there is in existence within the Department of Corrections and Rehabilitation the Prison Industry Authority under the direction of the Prison Industry Board. Under existing law, the authority has jurisdiction over the operation of all industrial, agricultural, and service enterprises employing prisoners in institutions under the jurisdiction of the department and has the power to establish new enterprises which it deems appropriate.

Under existing law, products made by enterprises under the authority's jurisdiction shall be purchased by the state or a state agency, and may be purchased by a local agency or by a state agency to be offered for sale to persons residing in state-operated institutions at prices fixed by the authority.

This bill would ~~prohibit a state agency from purchasing any product from the authority unless the total cost to the state agency for the transaction is less than the cost of making the same transaction with a private entity or other public agency~~ *provide that, notwithstanding requirements imposed on the Department of Corrections and*

*Rehabilitation to purchase Prison Industry Authority products, the department shall not be restricted from entering into contracts with private entities or other public agencies for products provided at a lower price than the price available from the Prison Industry Authority.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 2807 of the Penal Code is amended to  
2 read:

3 2807. (a) The authority is hereby authorized and empowered  
4 to operate industrial, agricultural, and service enterprises which  
5 will provide products and services needed by the state, or any  
6 political subdivision thereof, or by the federal government, or any  
7 department, agency, or corporation thereof, or for any other public  
8 use. Products may be purchased by state agencies to be offered  
9 for sale to inmates of the department and to any other person under  
10 the care of the state who resides in state-operated institutional  
11 facilities. Fresh meat may be purchased by food service operations  
12 in state-owned facilities and sold for onsite consumption.

13 (b) All things authorized to be produced under subdivision (a)  
14 shall be purchased by the state, or any agency thereof, and may  
15 be purchased by any county, city, district, or political subdivision,  
16 or any agency thereof, or by any state agency to offer for sale to  
17 persons residing in state-operated institutions, at the prices fixed  
18 by the Prison Industry Authority. State agencies shall make  
19 maximum utilization of these products, and shall consult with the  
20 staff of the authority to develop new products and adapt existing  
21 products to meet their needs. ~~However, no state agency shall~~  
22 ~~purchase any product from the authority unless the total cost to~~  
23 ~~the state agency for the transaction is equal to or less than the total~~  
24 ~~cost of making that same transaction with a private entity or other~~  
25 ~~public agency.~~

26 (c) *Notwithstanding subdivision (b), the requirements imposed*  
27 *on the Department of Corrections and Rehabilitation to purchase*  
28 *Prison Industry Authority products, make maximum utilization of*  
29 *these products, and consult with the staff of the authority to develop*  
30 *new products and adapt existing products to meet its needs shall*  
31 *not restrict the department from entering into contracts with private*

- 1 *entities or other public agencies for products provided at a lower*
- 2 *price than the price available from the Prison Industry Authority.*

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